Re-exort of sugar

908. SHRIMATI KAMLA SINHA:
DR. BAPU KALDATE:

Will the Minister of FOOD be pleassed to state:

(a) whether it is a fact that certain leading traders in the country have been recently found re-exporting sugar well below the international prices;

(b) if so, the details thereof; and

(c) what action has been taken by Government in this regard?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) to (c) When it came to the notice of Government that certain traders were trying to re-export sugar imported by them under OGL, re-export of imported sugar was brought on the negative list of exports subject to licensing. Subsequently, four applications received in the Directorate General of Foreign Trade for grant of export licence for re-export of imported sugar have been rejected.

Sale of wheat and rise in the open market by FCI

909. DR. MURLI MANOHAR JOSHI:

SHRI TRILOKI NATH CHATURVEDI:

Will the Minister of FOOD be pleased to state:

(a) whether it is a fact that FCI has offered to sell rice and wheat in the open market, if so what are the reasons therefor;

(b) the price per quintal for sale of wheat and rice;

(c) what has been the procurement price of wheat and rice per quintal togetherwith the expenses and other costs incurred by the Corporation;

(d) the quantity off-loaded by the FCI in 1994; and

(e) what are the reasons for the difference in the prices for different States?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) Yes, Sir. FCI had been permitted to sell rice and wheat in the open market for the following reasons|objectives.

(i) to ease the excess stock situation where the stock levels are much above the buffer norms.

(ii) to release much needed storage space for the present procurement season for rice and wheat.

(iii) to reduce the carrying cost of stocks held by FCI.

(iv) to exercise, as a measure of market intervention, a sobering influence on the open market prices of rice and wheat; and

(v) to reduce to some extent the requirements of food subsidy.

(b) Statement indicating statewise prices for the month of March, '95 under open market sales schemes is enclosed. (*See* below)

(c) The pooled cost of Grain, procurement Incidentals, Distribution cost and Economic cost of wheat and rice for the years 1994-95 (RE) and 1995-96 (BE) are as under:—

(Rate Rs./qtl.)

	1994-95 (RE)		1995-96 (BE)	
	Wheat	Rice	Wheat	Rice
Pooled cost of grain	343·96	535.20	355·84	576·84
procurement Incidentals	100·53	44·36	101·76	45·96
Distribution cost	117.96	126.44	118·40	126·00
Economic Cost	562·45	724·00	576.00	748.80

(d) The quantity of rice and wheat sold during January to December 94 is as under:

Rice 2.49 lakh tonnes

Wheat 42.31 lakh tonnes

(e) In respect of rice the prices are fixed keeping in view the levy rice rates and cost of gunnies and handling charges and moderated for certain States to ensure that there is no recycling of stocks sold under open market sales scheme through the levy procurement. The Central Issue Price, and the open market rates are also kept in view.

In respect of wheat the rates are fixed keeping in view the Central Issue Price, Minimum Support Price, Average Transportation cost, Handling Incidentals from surplus states to consuming regions, open market rates of comparable wheat. The trends in the open market prices of wheat and rice also influence the fixation of rates apart from the object of subsidy reduction.

Statement

The prices of wheat and rice in the open market for March, 1995

(Price Rs./Tonne)

Name of the State	Rice	wheat
	Rs.	Rs.
Punjab	7000	4100
Haryana	6950	4100
Uttar Pradesh	6800	4100
Delhi	6700	4150
Rajasthan	6800	4150
Jammu & Kashmir	6800	4150
Himachal Pradesh	..	4150
Maharashtra	6500	4500
Gujarat	6500	4350
Madhya Pradesh	6600	4100
Bihar	6600	4300
west Bengal	6600	4350
Orissa	6650	4350
Tamil Nadu	6600	4600
Andhra Pradesh	6600	4550
Karnataka	6600	4600
Kerala	6600	4600